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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE
COMMISSION HELD IN ITS OFFICES ON MAY 24, 2012

Commission Chairman John D. Quackenbush called the meeting to order at 1:32 p.m.
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

PRESENT

Commission: John D. Quackenbush, Chairman
Orjiakor N. Isiogu, Commissioner
Greg R. White, Commissioner

Staff: Margaret Rost
Judy Palnau
Mary Jo Kunkle
Sharron Allen
Lisa Felice
Mignon Middlebrook
Travis Warner

Public: Bev Roberts, Consumers Energy
Suzy Westmoreland, MEGA
Bret Totoraitis, Dykema
Mike Ashton, Fraser Law Firm
Tim Hoffman, Consumers Energy
Ron Bloomberg, Miller Canfield

Chairman Quackenbush announced three amendments to the published agenda, approval of the minutes of the Regular Commission should be May 1, 2012, Section III B, Item #1, Case Nos. U-16723, U-16724, U-16727 and U-16728 were added, and Item #6 was amended twice to correct the caption of AEP Retail Energy Partners, LLC, Commissioner Isiogu moved to approve the amended agenda, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The amended agenda was approved.

I. Commissioner Isiogu moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The agenda was approved.

- II.** Commissioner Isiogu moved to approve the minutes of the Regular Commission Meeting of May 1, 2012, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The minutes were approved.

III. ORDERS

A. COMMUNICATIONS

1. U-15572 BLC MANAGEMENT, LLC, d/b/a ANGLES COMMUNICATION SOLUTIONS, d/b/a MEXICALL COMMUNICATIONS (license surrender)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves a request to surrender a license to provide basic local exchange service. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

2. U-16195 LIFECONNEX TELECOM, LLC (license surrender)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves a request to surrender a license to provide basic local exchange service. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

3. U-16379 UPPER PENINSULA TELEPHONE COMPANY AND MICHIGAN
CENTRAL BROADBAND COMPANY, LLC, AND VERIZON
WIRELESS
U-16971 UNITED COMMUNICATIONS SYSTEM, INC., AND AT&T
MICHIGAN
U-17004 CRYSTAL AUTOMATION SYSTEMS, INC., d/b/a CASAIR, INC.,
AND FRONTIER NORTH, INC., AND FRONTIER MIDSTATES, INC.
U-17014 WESTPHALIA BROADBAND, INC., AND FRONTIER NORTH, INC.
AND FRONTIER MIDSTATES, INC.
(interconnection agreements and amendments)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which requests Commission approval of interconnection agreements and amendments. The order before you approves the requests, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

4. U-16829 EVERYCALL COMMUNICATIONS, INC., d/b/a ALL
AMERICAN WIRELESS
(withdrawal of application)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves a request to withdraw an application for designation as an eligible telecommunications carrier. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

5. U-16942 T-MOBILE CENTRAL LLC
(ETC application)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application for designation as an eligible telecommunications carrier for purposes of low income support. The order before you grants the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White

Nays – None

The order was adopted.

6. U-17001 AIR ADVANTAGE, LLC
(permanent license)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves a request for a license to provide basic local exchange service. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

7. U-17007 PEERLESS NETWORK OF MICHIGAN, LLC
(temporary license)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which is an application for a temporary license to provide basic local exchange service. The order before you grants the temporary license, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

B. ELECTRIC

1. U-16689 COMMISSION'S OWN MOTION - CITY OF BAY CITY
U-16690 COMMISSION'S OWN MOTION - CITY OF CHARLEVOIX
U-16691 COMMISSION'S OWN MOTION - CHELSEA DEPARTMENT OF
ELECTRIC AND WATER
U-16694 COMMISSION'S OWN MOTION - CROSWELL MUNICIPAL LIGHT
& POWER DEPARTMENT
U-16697 COMMISSION'S OWN MOTION - DETROIT PUBLIC LIGHT
DEPARTMENT
U-16698 COMMISSION'S OWN MOTION - CITY OF DOWAGIAC
U-16699 COMMISSION'S OWN MOTION - CITY OF EATON RAPIDS
U-16702 COMMISSION'S OWN MOTION - GRAND HAVEN BOARD OF
LIGHT AND POWER
U-16703 COMMISSION'S OWN MOTION - CITY OF HARBOR SPRINGS

- U-16704 COMMISSION'S OWN MOTION - CITY OF HART HYDRO
- U-16706 COMMISSION'S OWN MOTION - HOLLAND BOARD OF PUBLIC WORKS
- U-16709 COMMISSION'S OWN MOTION - LOWELL LIGHT AND POWER
- U-16714 COMMISSION'S OWN MOTION - NILES UTILITY DEPARTMENT
- U-16716 COMMISSION'S OWN MOTION - CITY OF PAW PAW
- U-16717 COMMISSION'S OWN MOTION - CITY OF PETOSKEY
- U-16718 COMMISSION'S OWN MOTION - CITY OF PORTLAND
- U-16721 COMMISSION'S OWN MOTION - CITY OF ST. LOUIS
- U-16723 COMMISSION'S OWN MOTION - CITY OF STURGIS
- U-16724 COMMISSION'S OWN MOTION - TRAVERSE CITY LIGHT & POWER
- U-16727 COMMISSION'S OWN MOTION - WYANDOTTE DEPARTMENT OF MUNICIPAL SERVICE
- U-16728 COMMISSION'S OWN MOTION - ZEELAND BOARD OF PUBLIC WORKS
(biennial energy optimization plan reviews)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by 21 municipally-owned electric utilities requesting that the Commission review their energy optimization plans. The order before you finds the utilities' energy optimization plans to be in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

- 2. U-16692 COMMISSION'S OWN MOTION - VILLAGE OF CLINTON
- U-16693 COMMISSION'S OWN MOTION - COLDWATER BOARD OF PUBLIC UTILITIES
- U-16708 COMMISSION'S OWN MOTION - LANSING BOARD OF WATER & LIGHT
- U-16711 COMMISSION'S OWN MOTION - MARSHALL ELECTRIC DEPARTMENT
- U-16719 COMMISSION'S OWN MOTION - CITY OF SEBEWAING
- U-16725 COMMISSION'S OWN MOTION - UNION CITY ELECTRIC DEPARTMENT
- U-16726 COMMISSION'S OWN MOTION - CITY OF WAKEFIELD
(biennial energy optimization plan reviews)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by seven municipally-owned electric utilities requesting that the Commission

review their energy optimization plans. The order before you finds the utilities' energy optimization plans to be in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

- 3. U-16700 COMMISSION'S OWN MOTION - CITY OF ESCANABA
- U-16710 COMMISSION'S OWN MOTION - MARQUETTE BOARD OF LIGHT AND POWER
- U-16713 COMMISSION'S OWN MOTION - NEWBERRY WATER AND LIGHT BOARD
- U-16722 COMMISSION'S OWN MOTION - CITY OF STEPHENSON (biennial energy optimization plan reviews)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by four municipally-owned electric utilities requesting that the Commission review their energy optimization plans. The order before you finds the utilities' energy optimization plans to be in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

- 4. U-16881 UPPER PENINSULA POWER COMPANY ('12 PSCR plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by Upper Peninsula Power Company for authority to implement a power supply cost recovery plan and establish power supply cost recovery factors for the 12-month period ending December 31, 2012 and other related approvals. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

5. U-16882 WISCONSIN PUBLIC SERVICE CORPORATION
(’12 PSCR plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by Wisconsin Public Service Corporation for approval of a power supply cost recovery plan and authorization of monthly power supply cost recovery factors for the year ending December 31, 2012, and other related approvals. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

6. U-16933 AEP RETAIL ENERGY PARTNERS, LLC
(AES licensing)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by AEP Retail Energy Partners LLC for a license as an alternative electric supplier. The order before you dismisses the application at the request of the applicant, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

7. U-16951 BRUCE CLARK v THE DETROIT EDISON COMPANY

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves a complaint by Bruce Clark against The Detroit Edison Company. The order before you dismisses the complaint, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

8. U-17032 COMMISSION'S OWN MOTION - INDIANA MICHIGAN
POWER COMPANY
(state compensation mechanism)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which is a proceeding, on the Commission's own motion, to establish a state compensation mechanism for alternative electric supplier capacity in Indiana Michigan Power Company's Michigan service territory. The order before you sets a prehearing conference for June 28, 2012, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

C. GAS

1. U-16447 MICHIGAN CONSOLIDATED GAS COMPANY
(self-implementation refund)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by Michigan Consolidated Gas Company requesting authority to revise its refund procedure for a self-implemented rate increase. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

2. U-16838 ENBRIDGE ENERGY
(Act 16 pipeline)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which is an application filed by Enbridge Energy, Limited Partnership requesting approval to replace, construct, and operate a 50-mile segment of an existing crude oil and petroleum pipeline between its Stockbridge Pump Station in Ingham County and its Ortonville Station in Oakland County. The order before you adopts the findings and recommendations made by

Administrative Law Judge Theresa A. Sheets and grants the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

3. U-16937 ENBRIDGE PIPELINES (TOLEDO) INC.
(Act 16 pipeline)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which is an application filed by Enbridge Pipelines (Toledo) Inc., requesting approval to construct, own, operate, and maintain approximately 35 miles of new 20-inch diameter pipeline and associated station facilities for the transportation of crude oil and petroleum in the counties of Ingham, Jackson, Washtenaw, and Wayne, Michigan. The order before you approves the amended settlement agreement and grants authority to Enbridge Pipelines (Toledo) Inc., to construct, own, operate, and maintain the proposed pipeline, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

4. U-16969 CONTINENTAL ENERGY SYSTEMS LLC, SEMCO HOLDING CORPORATION, SEMCO ENERGY, INC., SEMCO PIPELINE COMPANY, SEMCO GAS STORAGE COMPANY, ALTAGAS LTD. AND ALTAGAS UTILITY HOLDINGS (U.S.) LLC
(transfer of ownership)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by Continental Energy Systems LLC, Semco Holding Corporation, SEMCO Energy, Inc., SEMCO Pipeline Company, SEMCO Gas Storage Company, AltaGas Ltd., and AltaGas Utility Holdings (U.S.) LLC, for approval of the proposed purchase of 100% of the issued and outstanding shares of the common stock of SEMCO Holding Corporation by AltaGas Utility Holdings (U.S.) LLC. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

5. U-16982 DILLON ENERGY SERVICES, INC.
(application for AGS license)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which is an application by Dillon Energy Services, Inc., for a license as an alternative gas supplier. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

D. TRANSPORTATION

1. T-1866 CHAMPION’S AUTO FERRY, INC.
(rate case)

Commissioner Isiogu moved that the Commission adopt and issue order dated May 24, 2012 which involves an application by Champion’s Auto Ferry, Inc., to increase its rates, fares, and charges. The order denies the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The order was adopted.

IV. PUBLIC COMMENTS

There were no public comments.

Chairman Quackenbush announced that the next regularly scheduled Commission Meeting will be held on June 7, 2012.

Commissioner Isiogu moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White
Nays – None

The motion was approved.

The meeting adjourned at 1:48 p.m.

Mary Jo Kunkle
Executive Secretary